BOLIVIA: Preserving Stability

*To try to maintain stability until the June elections, President Gueiler has revamped her cabinet, approved a new electoral law, and named a new Army commander.* [redacted]

The new cabinet has been created to ensure government neutrality in the elections and allay military apprehensions over leftist influence in the administration. It will almost certainly not initiate any policy changes to attack Bolivia's basic weaknesses that have caused instability since independence. A multiplicity of parties remain, centered on political personalities, a corrupt military is still reluctant to relinquish the spoils of office, and the economy rests on an outmoded, unproductive tin industry. [redacted]

The electoral law may prove as ineffective as the cabinet in reducing political instability. Although no candidate won a majority of the popular vote in last year's election--and congress could not agree on a winner--the new law lacks a provision to preclude similar stalemates. [redacted]

Both of the leading civilian presidential contenders in this year's election, Hernan Siles Zuazo and Victor Paz Estenssoro, refuse to make a deal thus far to avoid another impasse. Gueiler admits that she is powerless to persuade either candidate to adopt a more conciliatory attitude. [redacted]

An electoral deadlock in June probably would give military hardliners a pretext to seize power again. Major plotters in the military remain in command positions, and coup rumors are rampant. In an effort to appease the military, Gueiler has bowed to armed forces pressure by appointing the principal coup plotter, General Garcia Meza, as the new Army commander. [redacted]

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